

## **Feed the Future Country Fact Sheet**

Online Version: https://www.feedthefuture.gov/article/policy-reforms-tanzania-improve-opportunities-maize-farmers

## Policy Reforms in Tanzania Improve Opportunities for Maize Farmers

In March 2011, in response to spikes in maize prices, the Government of Tanzania instituted a ban on maize exports to prevent its sale across borders. While intended to prevent a shortage of maize in the domestic market, the export ban ultimately hurt smallholder farmers in Tanzania by artificially suppressing maize prices. As a result, urban consumers could buy maize cheaply, but rural farmers were unable to earn adequate income from their maize production. The ban also encouraged illicit trade with the food-deficit countries that surround Tanzania, further penalizing maize producers attempting to get a fair price on the open market.

As part of a series of policy reforms under the New Alliance, and with the assistance and recommendations of **U.S.**researchers working to evaluate the full impact of the export ban, the Government of Tanzania recently followed through on its pledge to lift the ban and help open intra-African trade for maize. Thanks to this policy reform, grain is already moving at a faster rate from surplus to deficit areas, and both smallholder and large-scale farmers have increased maize production and are taking advantage of better market prices for maize in the region.

The end of the export ban has meant meaningful changes for the quality of life of smallholder farmers and their families. Dada George Kobona is a maize farmer who has been able to buy more farmland, pay her children's school fees and complete the construction of her home since the ban was lifted. In one district, a teacher reported that enrollment in her classes increased by 50 percent because families in the community finally have the means to pay school fees. And not only are farmers and their families benefitting, but wages have also improved by as much as 20 – 30 percent for agricultural laborers engaged in activities like bagging maize once it is harvested.

With the ban lifted, policy reforms are now geared toward establishing a more stable and transparent trade regime that reduces tariff and non-tariff trade barriers. A comprehensive food security study is being carried out to inform future decisions on food security and nutrition policy. At the same time, development partners are supporting the Government of Tanzania to strengthen its own capacity to formulate effective food policy by analyzing stockholdings and the National Food Reserve Agency, investigating best practices for social safety nets in the event of future food crises, and considering ending the use of export permits. A new set of recommendations on food reserves and safety nets will be presented to the government in July 2013.

Since launching the New Alliance last year and establishing a roadmap for implementation, Tanzania has completed or nearly completed four of the 12 total policy actions identified in the **Cooperation Framework** and has advanced all six actions slated to be completed by mid-2013.